

**COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2005-AH-024**

IN THE MATTER OF
VANDYK MORTGAGE CORPORATION

ORDER TO CEASE AND DESIST

Statement of Facts/Allegations

The Office of Financial Institutions ("OFI") is responsible for regulating and licensing mortgage loan companies and mortgage loan brokers in accordance with the provisions of KRS Chapter 294, the Mortgage Loan Company and Mortgage Loan Broker Act.

VanDyk Mortgage Corporation (hereinafter "VanDyk") is a mortgage loan broker with a corporate office located at 2449 Camelot Court SE, Grand Rapids, Michigan 49546. VanDyk is registered with the Office of Financial Institutions and is exempt from licensing requirements.

VanDyk operates four branch offices in Louisville, Kentucky. Among these is an office at 119 South Hurstbourne Parkway, Suite 102, where VanDyk operates as Advisors Mortgage. In addition, VanDyk has an office at 12700 Shelbyville Road, 209 Danville Building, where it operates as Sharrton Funding.

Through correspondence with Laurel Yaroach, who is responsible for licensing at VanDyk, OFI obtained a list of loan officers for the Hurstbourne Parkway and Shelbyville Road offices, which follows:

Hurstbourne Parkway

Mark Smith
Greg Trujillo
Ted House
Michael Kleinholter
Ronald B. Rexroat
Ellen Kathleen Knowles

Shelbyville Road

Tony Wheatley
Sidi Bah
Anthony Chism
Samuel Cox
Michelle Higgins
Joseph Robert Monroe II
David Allan Payne
Bobby Ross
Julie Stakelin

OFI examiners have determined that none of the employees on the list above are currently licensed as loan officers in the Commonwealth of Kentucky.

Statutory Authority

1. Pursuant to KRS 294.030(1)(c), it is unlawful for any loan officer, unless otherwise exempted, to originate mortgage loans in Kentucky if the loan officer is not registered in accordance with KRS 294.255.
2. Pursuant to KRS 294.030(3), any person who willfully transacts business in this state in violation of subsection (1) of this section shall have no right to collect, receive, or retain any interest or charges whatsoever on a loan contract, but the unpaid principal of the loan shall be paid in full.

3. Pursuant to KRS 294.220(2)(b) it shall be unlawful for any mortgage loan company or mortgage loan broker, in connection with the operation of a mortgage loan business or the management or servicing of mortgage contracts, directly or indirectly to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

4. Pursuant to KRS 294.190(2)(a), if it appears to the executive director that any mortgage loan company or mortgage loan broker has engaged in or is about to engage in any practice in violation of the law, the executive director may order a mortgage loan company or mortgage loan broker to cease and desist from the acts or practices by a formal written order.

Conclusions

Based upon the foregoing, the executive director has determined as follows:

1. VanDyk is engaged in the business of a mortgage loan broker or mortgage loan company without ensuring its loan officers are licensed, which is a violation of KRS 294.030(1)(c).

2. Because VanDyk loan officers are originating mortgage loans in Kentucky without being registered in accordance with KRS 294.030(1)(c), the executive director has determined that it is necessary to order VanDyk to immediately cease and desist from acting as a mortgage loan broker through the unlicensed loan officers listed above and any other unlicensed loan officers it may employ now or in the future.

Order

Based upon the foregoing statement of facts/allegations, statutory authority and conclusions, the executive director HEREBY ORDERS as follows:

1. That VanDyk Mortgage Corporation immediately CEASE AND DESIST from utilizing unlicensed and nonexempt loan officers, including those listed in the Statement of Facts/Allegations, in originating residential mortgage loans at its offices at 119 South Hurstbourne Parkway, Suite 102, Louisville, Kentucky 40222 and 12700 Shelbyville Road, 209 Danville Building, Louisville, Kentucky 40243, or from or at any other location in the Commonwealth.

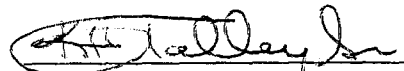
2. That VanDyk Mortgage Corporation provide evidence to the Office of Financial Institutions that it has complied with the requirements of this Cease and Desist Order.

This ORDER shall become effective upon receipt.

Appeal Rights

Pursuant to KRS 294.190, you are hereby notified that you have the right to a hearing to appeal this Order of the Executive Director. If you choose to appeal, you must notify the Office of Financial Institutions in writing within twenty (20) days after the entry of this Order and, on receipt, OFI will schedule the matter for a hearing in accordance with KRS Chapter 13B.

IT IS SO ORDERED on this the 14th day of Sept. 2005



Keith H. Talley, Sr.
Acting Executive Director
Office of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, Kentucky 40601

Certificate of Service

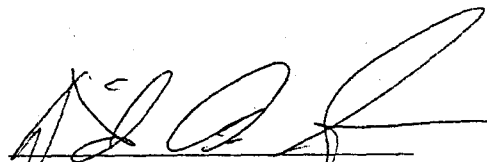
I, David A. Stringer, hereby certify that a copy of the foregoing Order to Cease and Desist was sent on this the 15th day of September, 2005 by certified mail, return receipt requested, to the following:

Thomas L. VanDyk
Owner
VanDyk Mortgage Corporation
2449 Camelot Court SE
Grand Rapids, Michigan 49546

Laurel Yaroch
Licensing Manager
VanDyk Mortgage Corporation
2449 Camelot Court SE
Grand Rapids, Michigan 49546

Managing Agent
119 S. Hurstbourne Parkway
Suite 102
Louisville, Kentucky 40222

Managing Agent
12700 Shelbyville Road
209 Danville Building
Louisville, Kentucky 40243



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